

ASSEMBLY, No. 4882

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED MAY 14, 2026

Sponsored by:

Assemblyman WAYNE P. DEANGELO
District 14 (Mercer and Middlesex)

SYNOPSIS

“New Jersey Natural Gas Modernization Act.”

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the modernization of natural gas-fired electric
2 generating facilities, establishing streamlined permitting
3 pathways, and supplementing Title 48 of the Revised Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. This act shall be known and may be cited as the “New Jersey
9 Natural Gas Modernization Act.”

10
11 2. The Legislature finds and declares that:

12 a. New Jersey residents continue to face a significant energy
13 affordability crisis, with utility costs rising faster than households
14 incomes in many regions of the State, and placing disproportionate
15 burdens on low- and moderate-income families, seniors, and small
16 businesses that rely on stable and predictable energy prices to
17 manage monthly expenses.

18 b. In its December 2025 auction for the 2027-2028
19 deliverability year, PJM Interconnection was, for the first time in its
20 history, unable to procure sufficient energy capacity to meet its
21 reserve margin, falling short by 6,623 MW and raising the alarm
22 that the region is experiencing an energy reliability crisis.

23 c. Reliable access to electricity is essential to public health,
24 safety, and economic stability, and the worsening imbalance
25 between electricity supply and rapidly rising electricity demand,
26 including from the increasing buildout of artificial intelligence-
27 serving data centers, is contributing to higher wholesale electricity
28 prices, service interruptions, and increased volatility in consumer
29 utility bills.

30 d. New Jersey maintains some of the strongest air quality and
31 environmental protection standards in the nation, and the State has
32 consistently demonstrated that economic growth, energy reliability,
33 and environmental stewardship can be advanced together.

34 e. Modernizing existing natural gas infrastructure under these
35 standards does not weaken environmental protections; rather, it
36 provides an opportunity to reduce emissions, improve efficiency,
37 and ensure that older facilities operate with cleaner, more advanced
38 technologies.

39 f. On January 20, 2026, Governor Sherrill signed Executive
40 Order 2, which declared a State of Emergency on Utility Costs and
41 directed State agencies to take coordinated action to address
42 affordability challenges.

43 g. Executive Order 2 of 2026 further instructed agencies to
44 identify measures to modernize the natural gas-fired power plants
45 already operating in New Jersey and to enable those facilities to
46 generate electricity more efficiently, with lower carbon output, and
47 at levels that support system reliability during periods of high
48 demand.

1 h. Upgrading and uprating existing natural gas facilities can
2 provide rapid and cost-effective benefits to ratepayers by improving
3 efficiency, reducing outages, and lowering the cost of electricity
4 generation, all while operating within New Jersey's stringent
5 environmental framework.

6 i. This approach is consistent with an "all of the above" energy
7 strategy, which supporting the responsible development of
8 renewable energy, energy efficiency programs, storage
9 technologies, and modernized conventional generation, in order to
10 reduce emissions while strengthening grid resilience and improving
11 affordability while moving toward a cleaner energy future.

12 j. Modernizing existing natural gas infrastructure ensures that
13 the State's current fleet of natural gas-fired facilities can continue to
14 provide reliable, dispatchable power during periods when renewable
15 resources are unavailable or insufficient, thereby supporting the
16 integration of clean energy resources while protecting consumers
17 from price spikes.

18 k. The Legislature therefore determines that it is in the public
19 interest for the State to support targeted upgrades, efficiency
20 improvements, and capacity enhancements at existing natural gas
21 facilities, in order to improve system reliability, reduce emissions,
22 stabilize energy costs, and advance the State's long-term energy,
23 environmental, and economic goals.

24
25 3. As used in this act:

26 "CO2 emissions intensity" means the mass of carbon dioxide
27 emitted per unit of electricity generated, expressed in pounds per
28 megawatt-hour.

29 "Department" means the Department of Environmental
30 Protection.

31 "Eligible site" means a site located in New Jersey, with a
32 nameplate capacity equal to or greater than 25 megawatts of
33 electrical output, on which a permitted natural gas-fired electric
34 generating unit operated at any time within the preceding 60
35 months, and at which the necessary site infrastructure, including
36 interconnection facilities, gas supply, and cooling or emissions-
37 control systems, remains available. Eligibility shall not require that
38 any prior permit remain active.

39 "Permit" means any permit or authorization issued pursuant to
40 the "Air Pollution Control Act (1954)," P.L.1954, c.212 (C.26:2C-1
41 et seq.), the "Coastal Area Facility Review Act," P.L.1973, c.185
42 (C.13:19-1 et seq.), or subchapter 22 of chapter 27 of Title 7 of the
43 New Jersey Administrative Code.

44 "PJM Interconnection, L.L.C." means the privately-held, limited
45 liability corporation that serves as a FERC-approved Regional
46 Transmission Organization, or its successor, that manages the
47 regional, high-voltage electricity grid serving all or parts of 13
48 states including New Jersey and the District of Columbia, operates

1 the regional competitive wholesale electric market, manages the
2 regional transmission planning process, and establishes systems and
3 rules to ensure that the regional and in-State energy markets operate
4 fairly and efficiently.

5 “Project labor agreement” means a form of pre-hire collective
6 bargaining agreement covering terms and conditions of a specific
7 project.

8 “Qualifying project” means a project located at an eligible site
9 that includes: (1) physical modification to an existing natural gas-
10 fired electric generating unit; (2) installation of new equipment
11 integrated with an existing unit; (3) installation of a primarily
12 natural gas-fired electric generating unit to replace retired electric
13 generating equipment; (4) installation of co-located energy storage
14 or renewable energy generation; or (5) any combination thereof.

15 “Reliability event” means a period during which PJM
16 Interconnection, L.L.C. declares an emergency, maximum
17 generation event, or comparable reliability directive.

18

19 4. a. The department shall establish streamlined pathways for
20 the expeditious issuance of permits subject to the provisions of this
21 act.

22 b. The department shall establish distinct treatments for
23 projects requiring initial permits, including, but not limited to,
24 preconstruction permits issued pursuant to subchapter 8 of chapter
25 27 of Title 7 of the New Jersey Administrative Code and operating
26 permits issued pursuant to subchapter 22 of chapter 27 of Title 7 of
27 the New Jersey Administrative Code, and projects requiring permit
28 modifications.

29 c. With respect to new permits and permit modifications, the
30 department shall abide by the following timelines, as applicable:

31 (1) within 30 days of the date an applicant submits an
32 application, the department shall determine the completeness of the
33 application and inform the applicant;

34 (2) on the date the department determines that an application is
35 complete and informs the applicant, the department shall initiate the
36 public comment or public hearing process, if required;

37 (3) within 60 days of the date the department determines that an
38 application is complete and informs the applicant, the department
39 shall hold the public hearing, if required;

40 (4) 90 days after the date the department determines that an
41 application is complete and informs the applicant, the public
42 comment period shall close; and

43 (5) within 120 days of the date the department determines that
44 an application is complete and informs the applicant, the
45 department shall provide to the applicant a final agency action
46 concerning the permit.

47 d. Preconstruction permits and permit modifications relating to
48 qualifying projects subject to this section shall be considered

1 expansions of existing facilities pursuant to P.L.2020, c.92
2 (C.13:1D-157 et seq.).

3 e. For permits subject to the provisions of P.L.2020, c.92
4 (C.13:1D-157 et seq.), all agency permit review shall occur
5 concurrently with the applicable review pursuant to P.L.2020, c.92
6 (C.13:1D-157 et seq.).

7 f. Notwithstanding the provisions of any law, rule, or
8 regulation to the contrary, there shall be no requirement that an
9 applicant for a permit secure emissions offsets pursuant to
10 N.J.A.C.7:27-18.5, or any successor regulation, as part of the
11 application.

12 g. Notwithstanding the provisions of any law, rule, or
13 regulation to the contrary:

14 (1) if a permit issued by a State agency for a qualifying project
15 requires a public hearing or comment period, the public hearing or
16 comment period shall occur simultaneously with the applicable
17 agency's internal review process of the project application; and

18 (2) the comment period for any permit subject to the provisions
19 of this act shall be no longer than 30 days.

20

21 5. a. A qualifying project shall:

22 (1) comply with the provisions of section 13 of P.L.1967, c.106
23 (C.26:2C-9.2), the rules and regulations codified at subchapter 8 of
24 chapter 27 of Title 7 of the New Jersey Administrative Code, and
25 any subsequent amendments thereto;

26 (2) achieve a CO2 emissions intensity of less than 1,000 pounds
27 per megawatt-hour; and

28 (3) submit to the Board of Public Utilities a workforce
29 development and labor plan, including:

30 (a) estimates of temporary construction and permanent
31 operations jobs;

32 (b) proposed partnerships with local educational or workforce
33 training institutions; and

34 (c) a commitment to either:

35 (i) enter into a project labor agreement and pay prevailing
36 wages, in accordance with the "New Jersey Prevailing Wage Act,"
37 P.L.1963, c.150 (C.34:11-56.25 et seq.), for any construction
38 services in State; or

39 (ii) pay the wages and benefits provided in a collective
40 bargaining agreement between a labor organization, as defined in
41 paragraph (5) of section 2 of the federal "National Labor Relations
42 Act" (29 U.S.C. s.152), and the employer covering the work.

43 b. The Board of Public Utilities, in consultation with the
44 department, shall coordinate with PJM Interconnection, L.L.C. to
45 ensure timely interconnection review for qualifying projects and to
46 prioritize interconnection requests that support system reliability
47 and reduce CO2 emissions intensity.

1 6. a. During a declared reliability event, a qualifying
2 project may operate outside of permit-specified operating limits
3 temporarily, so long as:

4 (1) operation of the qualifying project is necessary to maintain
5 grid reliability;

6 (2) the authorization is limited to the duration of the reliability
7 event; and

8 (3) the facility reports emissions and operating data to the
9 department within 30 days of commencing temporary operations
10 pursuant to this section.

11 b. Any hours that a facility operates during a reliability event
12 shall not be counted toward the facility's emissions limits or other
13 capacity factor limits on the operation of the facility, if applicable,
14 of any permit held by the facility.

15 c. Nothing in this section shall authorize a qualifying project to
16 exceed federal emissions standards.

17

18 7. No person shall bring a legal action against the department
19 for the issuance of a permit constituting a final agency action to a
20 qualifying project, and no person shall appeal that final agency
21 action, unless:

22 a. the person submitted a public comment that:

23 (1) is substantive and unique;

24 (2) was submitted within the noticed comment period;

25 (3) contains sufficient information to put the relevant State
26 agency on notice of the issue; and

27 (4) demonstrates that the person would suffer direct harm if the
28 comment were not addressed; and

29 b. the legal action concerns the same subject matter that was
30 raised in the public comment.

31

32 8. This act shall take effect immediately.

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STATEMENT

36

37 This bill, the "New Jersey Natural Gas Modernization Act,"
38 requires the Department of Environmental Protection (DEP) to take
39 certain action to expedite permits issued pursuant to the "Air
40 Pollution Control Act (1954)," P.L.1954, c.212 (C.26:2C-1 et seq.),
41 the "Coastal Area Facility Review Act," P.L.1973, c.185 (C.13:19-1
42 et seq.); or subchapter 22 of chapter 27 of Title 7 of the New Jersey
43 Administrative Code.

44 The bill requires the DEP to establish streamlined pathways for
45 the expeditious issuance of permits subject to the provisions of the
46 bill, and to establish distinct treatments for projects requiring initial
47 permits, including certain preconstruction permits and operating
48 permits, and projects requiring permit modifications.

1 With respect to new permits and permit modifications, the
2 department is required to abide by the following timelines, as
3 applicable:

4 (1) within 30 days of the date an applicant submits an
5 application, determine the completeness of the application and
6 inform the applicant;

7 (2) on the date the department determines that an application is
8 complete and informs the applicant, initiate the public comment or
9 public hearing process, if required;

10 (3) within 60 days of the date the department determines that an
11 application is complete and informs the applicant, hold the public
12 hearing, if required;

13 (4) 90 days after the date the department determines that an
14 application is complete and informs the applicant, the public
15 comment period shall close;

16 (5) within 120 days of the date the department determines that
17 an application is complete and informs the applicant, the
18 department shall provide to the applicant a final agency action
19 concerning the permit.

20 The bill establishes certain requirements for certain qualifying
21 projects, defined under the bill to mean any project located at an
22 eligible site, which project includes: (1) physical modification to an
23 existing natural gas-fired electric generating unit; (2) installation of
24 new equipment integrated with an existing unit; (3) installation of a
25 primarily natural gas-fired electric generating unit to replace retired
26 electric generating equipment; (4) installation of co-located energy
27 storage or renewable energy generation; or (5) any combination
28 thereof.

29 The Board of Public Utilities, in consultation with the DEP, is
30 required under the bill to coordinate with PJM Interconnection,
31 L.L.C. to ensure timely interconnection review for qualifying
32 projects and to prioritize interconnection requests that support
33 system reliability and reduce CO2 emissions intensity.

34 During a declared reliability event, a qualifying project may be
35 authorized to operate outside of permit-specified operating limits
36 temporarily, so long as:

37 (1) operation of the qualifying project is necessary to maintain
38 grid reliability;

39 (2) the authorization is limited to the duration of the reliability
40 event; and

41 (3) the facility reports emissions and operating data to the
42 department within 30 days of commencing temporary operations
43 pursuant to this section.

44 Any hours that a facility operates during a reliability event shall
45 not be counted toward the facility's emissions limits or other
46 capacity factor time limits on the operation of the facility, if
47 applicable, of any permit held by the facility.

1 Nothing in the bill authorizes a qualifying project to exceed
2 federal emissions standards.

3 The bill prohibits persons from bringing a legal action against
4 the DEP for the issuance of a permit constituting a final agency
5 action to a qualifying project, or the appeal of the final agency
6 action, unless:

7 a. the person submitted a public comment that:

8 (1) is substantive and unique;

9 (2) was submitted within the noticed comment period;

10 (3) contains sufficient information to put the relevant State
11 agency on notice of the issue; and

12 (4) demonstrates that the person would suffer direct harm if the
13 comment were not addressed; and

14 b. the legal action concerns the same subject matter that was
15 raised in the public comment.